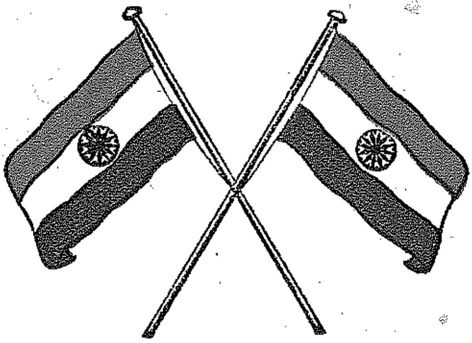

SPEECH OF

Sri C. Subramaniam,

Finance Minister

Presenting the Budget for the year 1954-55

to the Madras Legislature

26TH FEBRUARY 1954

सत्यमेव जयते

GOVERNMENT OF MADRAS

FINANCE DEPARTMENT

Speech of Sri C. Subramaniam, Finance Minister, presenting the Budget for 1954–55 to the Madras Legislature on the 26th February 1954.

Sir,

Introduction.

The Budget for 1954–55 is the first full budget of the new Madras State, after the separation of Andhra. It has been framed under conditions which are generally tending towards normal, after the long spell of adverse seasons and the post-war fluctuations in trade and industry. The allotments provided therein should therefore, reflect the true measure of our financial strength and our ability to take our State towards the goal of the Welfare State.

In his address to the Legislature early this week, the Governor was pleased to review the salient aspects of the administration of the State. I may have to cover some of the grounds again to the extent necessary for explaining the budget proposals.

Agricultural conditions.

2. For the first time in the post-war period, we have had both the North-East and South-West monsoons in time. We are gradually closing down relief works and gruel centres. A few low-scale relief works are still on, in certain districts, but there is no rush of indigent people to these centres. There is some distress amongst the coir-workers in the coastal belt of the Malabar district, owing to the slump in that industry and alternate employment is being found for these people on road works. Crops have thrived and the out-turn may be stated to be generally fair, though in certain areas the paddy crop was affected by pests. The Agricultural Department did its best and

succeeded to an appreciable extent in controlling pests with insecticides distributed at reduced prices. Taking the State as a whole, we may be thankful for having had a fair agricultural season. Land Revenue, which is still one of our major sources of income, may be expected to come in without default and we need have to make no extraordinary provision for remissions or distress relief.

Prices.

3. Prices are tending to stabilise at lower levels. The food index is generally steady, even after Andhra has put on the cordon across the border. Reports from Tanjore seem to show that paddy has slumped below the Government procurement prices. This may be a very temporary feature, in view of the fact that the whole State, except the West Coast, is one zone for the free movement of rice. Steps are being taken to buy up the surplus on Government account and this may give the necessary stability. We should not, in my opinion, regret the present tendency. A slightly lower level of food prices, has its advantages in sustaining the general economy of the State. Fall in prices does however, reduce the yield from the General Sales Tax, which every one knows is our mainstay; but let us hope that even there a larger turnover in agricultural produce may go some way to off-set the price-factor.

Industry.

4. Turning from Agriculture to major industries, the prospects for the year are not quite so pleasing. No doubt, the established units in textiles, cement, sugar and skins and hides, are carrying on without marked curtailment of production; but there is little of new investment, to take the place of marginal concerns dropping out. These conditions are not peculiar to this State and probably the Union Finance Minister may cover the ground while presenting the Central Budget tomorrow. The one relieving feature, as far as this State is concerned, is that there is no likelihood of power-cuts this season in addition to the general difficulties of industry.

Handloom.

5. The handloom industry, with which we are so closely concerned on account of the employment-value it has in relation to large sections of our people, continues, I am sorry to say, in need of help. A sum of about one crore of rupees is now available from out of the Central Cess Fund for assisting this industry

and schemes are being evolved to utilize this sum. Orders have recently issued granting a subsidy of $1\frac{1}{2}$ annas in the rupee on sales of handloom products from Co-operative stores. The same concession will soon be extended to sales by private dealers, but this would require checks to avoid misuse of funds and the necessary organization is being built up. More weavers are proposed to be taken on into the co-operative fold, with the share capital advanced to them free of interest from out of the Cess Fund. Other measures under consideration are the commissioning of mobile vans for propaganda and sale in interior villages, a Co-operative Spinning Mill for the assured supply of yarn to weavers and research schemes for the improvement in designs and techniques in weaving. No doubt, these measures are all intrinsically good, but they are only palliatives, in view of the magnitude of the problem. The margin which the Handloom may gain by all these measures can easily be off-set by the Mills, with some little 'Rationalization' and economies in production and the unequal competition can still be there to an agonizing extent. The only lasting remedy is reservation of categories to provide this widespread and important industry with a sheltered internal market. Our recommendations to this effect have not been accepted by the Centre in full. The additional purchasing power thereby put into the hands of thousands of families is not an inconsiderable return, to be set off against the seeming loss which the Mills may suffer by that decision. After all, the major cause for the present stagnant conditions in trade and industry, is the dwindling real income of the masses and therefore, any measure to step up the purchasing power of large sections of the people, should help to turn the wheels of industry fast and steady.

Revised Estimates, 1953-54 (second half year).

6. The Revised Estimate for the second half of the current financial year, shows a revenue surplus of Rs 77 lakhs, as against the surplus of Rs 23 lakhs we had anticipated last December. The betterment of Rs 54 lakhs, is largely due to the fact that we may not have to pay, in this half year, the interest thought to be due to the Government of India, on our share of the large ways and means advances, taken from that Government by the composite State, during the last year and the first half of the current year. There are other small variations in different items of revenue

and expenditure, but they off-set one another and the net variation is inappreciable. Detailed particulars can be seen in the Budget Memorandum.

The expenditure on capital works is expected to be Rs 654 lakhs as against Rs 686 lakhs originally provided for. The decrease of Rs 32 lakhs is mainly due to the fact that we were able to release a good deal of machinery from the Bhavani Project, earlier than was thought possible, for use in other projects in the State and thereby, to save purchases to that extent in the current year.

The cash balance at the close of the current year is expected to be Rs 169 lakhs.

Budget Estimates, 1954–55 Revenue Account.

7. In finalising the budget estimates for 1954–55, the favourable seasonal factor has been taken into consideration. Even so, the revenue estimated from existing resources is inadequate to meet the proposed expenditure. The figures are—

	RS LAKHS	RS LAKHS
Revenue on existing taxation ..	..	44,60
Expenditure on existing sanctions.	44,38	
Expenditure on proposed new sanctions	80	
Total expenditure ..		45,18
Deficit ..		58

It is intended to cover about Rs 40 lakhs out of the deficit by additional taxation, proposals for which I shall deal with presently. The balance of Rs 18 lakhs will be left uncovered.

While presenting the budget estimates of the composite State for the current year in March 1953, I had indicated, that after the separation of Andhra, the revenue account of the present Madras State might show a surplus of about Rs 2 crores. The sharp decline in the receipts from sales tax has upset this calculation. As against an estimated yield of Rs 10,71 lakhs from this source, the present budget, based on actuals, anticipates only Rs 950 lakhs, which means a reduction of Rs 121 lakhs under this single head of

revenue. Last year's budget had taken credit for some additional revenue under Court-fees, consequent on a revision of the Court Fees Act. Owing to our pre-occupation with partition, we were unable to get through the necessary legislation and therefore, the anticipated additional revenue of about Rs 35 lakhs to the present Madras State did not accrue. We are now sanctioning some new schemes, costing about Rs 80 lakhs in the revenue account. These three factors together, will account for a difference of Rs 236 lakhs between the expectations of last year and the closer estimates now before the House.

8. A detailed list of 232 New Schemes to be taken up in the budget year is embodied in Appendix I to the Budget Memorandum. Many of these schemes formed part of the National Plan. We were unable to initiate them earlier, because distress-relief measures were the first charge on our resources till recently. Even after taking up all the works now proposed, we are still in arrears with the National Plan and the position can be retrieved within the Plan period, only by raising fresh resources. Within the means now available, fair provision has been made for expansion of the activities of all development departments. A grant of about Rs 13 lakhs is proposed to be given to local bodies towards improvement of rural communications. The provision for the welfare of Harijans and backward communities is being stepped up to raise the total allotment under this head to Rs 90 lakhs. The new schemes of the medical department, mostly in the way of increases in the bed-strength of hospitals, aggregate Rs 16 lakhs. A significant item under this head is the provision of Rs 2 lakhs for mobile medical units operating from motor vans with a view to extend hospital facilities into interior villages. It is proposed to inaugurate the New Medical College at Madurai this year and a provision of Rs 16 lakhs has been made for this purpose. In the field of Animal Husbandry, several useful schemes, such as the opening of new touring billets, the strengthening of headquarters veterinary hospitals, the extension of the artificial insemination service and further research into cattle diseases are being initiated. A sum of Rs 8 lakhs is being placed at the disposal of the Forest Department for the regeneration of denuded forest lands. Turning to Education, the usual provision for grants to aided institutions for buildings and equipment, amounting to Rs 9 lakhs, is being made. The

junior division of the National Cadet Corps will be enlarged by 15 more units. The recommendations of the Parulekar Committee and the recommendations of the Central Advisory Board on the modified scheme of Elementary Education are being carefully considered by the Government. A token provision of Rs 100 has been made in the budget to indicate that such of the recommendations as are finally accepted may be implemented during the course of the year. In respect of Government servants, it is proposed to liberalize the leave rules and increment scales of last grade employees. House rent concessions are also being extended to the headquarters of certain Revenue divisions, like Ranipet, Ariyalur and Cheranmahadevi, which had been left out while giving effect to these concessions earlier. One other provision that may be mentioned is a grant of Rs $1\frac{1}{2}$ lakhs to the Madras Corporation towards clearance of slums on Government lands in the City.

The total cost of new schemes amounts in all to Rs 2,14 lakhs in the budget year, made up of Rs 80 lakhs in the Revenue account, Rs 97 lakhs in the Capital account and Rs 37 lakhs under Loans and Advances.

Capital outlay.

9. The estimated capital expenditure for the year is Rs 12,62 lakhs, made up of Rs 6,08 lakhs on Irrigation, Rs 4,96 lakhs on Electricity and the balance on other schemes. In respect of irrigation works, we have made reasonably adequate provision for all the sanctioned works. The Lower Bhavani works are expected to be completed in the year. With the allotment of Rs 77 lakhs for the Malampuzha, Rs 1,58 lakhs for the Manimuthar and Rs 82 lakhs for the Mettur canals, these works may be nearing completion at the end of the year. The Walayar and Mangalam schemes of Malabar are also being accelerated with a provision of Rs 52 lakhs and Rs 22 lakhs, respectively. The Amaravathi and the Vaigai Reservoir schemes have been sanctioned recently and may reach the stage of peak outlay only by 1955–56. A sum of Rs 94 lakhs has been earmarked for small irrigation works including the restoration of tanks and this outlay will be spread over all areas of the State apart from the West Coast. The staff engaged on this useful programme will be augmented, so that the working season is made full use of.

On the side of electricity, the Periyar hydro-electric scheme costing about Rs $10\frac{1}{2}$ crores is proposed to be started almost immediately, and a sum of Rs 30 lakhs has been set apart in the budget for the purpose. This project may be completed in about 3 years, releasing 75,000 kilo-watts of power in the initial stage. We have been going slow with rural extensions in the last two years, but we are now speeding up this useful work, with an aggregate provision of Rs 3 crores on transmission lines. The Electricity Undertakings Acquisition Act, by which we had acquired the concerns of some private licensees and local bodies, has been recently held to be invalid by the Supreme Court. The Government are examining the judgment and considering what has to be done in that regard. There may not be expenditure on the acquisition of undertakings in the year. In the meanwhile, with a view to assist licensees to extend rural electrification, a sum of Rs 10 lakhs is being provided, to be given as loans to licensees on specified rural extensions.

Under buildings, an important provision is a sum of Rs 25 lakhs for the construction of quarters for the subordinate staff of the Police department in the City and the districts. Policemen are eligible for rent-free quarters and it has been found difficult to secure suitable accommodation for them in many places. The present programme will be spread over a few years and is intended to house policemen all over the State near their places of work, so that fair living conditions could be ensured and better discipline maintained.

The City transport is being reorganized. It is proposed to strengthen the fleet during the year with heavy diesel buses with larger seating capacities. A provision of Rs 30 lakhs has been made for this and other allied transport purposes.

Loans and Advances.

10. The net disbursement under loans and advances during the year is expected to be Rs. 159 lakhs. This provision includes advances to cultivators, local bodies, housing and other co-operative societies, etc., aggregating Rs 449 lakhs. Credit has been taken for recovery under this head amounting to Rs 290 lakhs, in arriving at the net figure of Rs 159 lakhs.

Ways and means.

11. Our requirements on the ways and means side during the year will be about Rs 15 crores made up of—

	RS LAKHS
Capital expenditure	12,62
Net disbursements under Loans and Advances.	1,59
Revenue deficit	18
Balance to be kept in the Bank and treasuries.	55
Total ..	14,94

As against these requirements, we may hope to have an opening cash balance of Rs 169 lakhs and a net credit within the year of Rs 225 lakhs under deposit heads and State Trading schemes, making up a total of Rs 394 lakhs. The budget assumes that the balance of Rs 11 crores may be obtained from the Central Government and the open market. The size and the timing of the open market loan will be decided in due course in consultation with the Reserve Bank.

The Five-Year Plan.

12. Honourable Members will be interested to know how the budget proposals compare with the targets set in the National Plan relating to this State. The plan of the composite State was broken up into the respective components, after the partition and the part relating to the new Madras State has since been revised and brought up to date. The revised Plan envisages an outlay of about Rs 92 crores, spread over the five-year period commencing with 1951–52. The emphasis of our Plan is on irrigation and power, with an outlay of about Rs 50 crores, out of the total of Rs 92 crores. Agriculture and allied subjects like Animal Husbandry, Forests, Fisheries, Community Projects, National Extension Services and Local Development works come next in importance with a total outlay of about Rs 18 crores. Social services like Education, Medical, Health, Housing and Harijan uplift take up about Rs 19 crores and the balance of Rs 5 crores is spread over various miscellaneous services including Co-operation, Industries and Roads. By the end of the current financial year, which is the third year of the Plan, we would have spent about Rs 45 crores on the Plan at the average of Rs 15 crores per year. This is not altogether an inadequate achievement, in view of the very adverse seasonal conditions during this period. We were able to accomplish this much because we had substantial reserves on hand to start with and the Centre

has been extending accommodation from time to time in a generous measure. If we want to keep pace with the Plan, we should provide for an outlay of Rs 22 crores in the budget year and Rs 25 crores in 1955–56, the last year of the Plan. But we no longer hold reserves to fall back upon, and the implementation of the balance of the Plan will depend largely on assistance from the Centre and our determination to raise additional revenues.

The outlay covered by the Plan in this budget falls into three broad categories. Expenditure on irrigation, power and other capital works amounting in all to about Rs 12 crores can be met out of loans raised in the open market and from the Government of India. We have allotted the full sums required for the year under this category according to the requirements of the works. Next comes the category of schemes sponsored and assisted by the Centre, such as the Community Projects. We have given top priority on our resources to find the State's share of expenditure on these works. The outlay provided for in the budget under this category is Rs 219 lakhs, made up of Rs 96 lakhs on Community Projects, Rs 83 lakhs on National Extension Services and Rs 40 lakhs on Local Development works. It has since been suggested by the Planning Commission that the National Extension Service may be extended to the whole of Tanjore district during the course of the year and the matter is under consideration. If a decision in favour is taken, then the expenditure under this category may reach the target of Rs 3 crores set in the Plan for the year. On the whole, we are implementing this part of the Plan with reasonable adequacy. Lastly, we come to the category consisting of the large number of miscellaneous schemes under Agriculture, Veterinary, Education, Health, Highways, etc., the resources for which must come entirely from the annual revenues of the State. Our present resources are not adequate enough to implement them in full, in each of the two remaining years. We have included in the budget some of them for which we can scrape up funds and even so, we are left with a sizeable revenue deficit for the year. There is a gap of about Rs 250 lakhs between the Plan and the budget under this category. The short-falls occur mainly under Education (Rs 65 lakhs), Public Health

(Rs 85 lakhs), Forests (Rs 25 lakhs), Highways (Rs 23 lakhs), Industries (Rs 22 lakhs) and the balance is spread over other miscellaneous heads. Particulars of expenditure covered by the Plan are given as Appendix IV to the printed copy of this Speech. We have now to take a crucial decision, whether to follow the line of least resistance and give up the Plan or to make a determined effort to tap new resources, so as to implement as much of the Plan as practicable.

Readjustment of taxation.

13. The Government have considered this matter very carefully and have decided that some readjustment of the taxation structure, to yield a little more revenue, is justified in the present context. Legislation is, therefore, being introduced to implement the following proposals:—

(*a*) A surcharge on the total Land Revenue assessment on large holdings exempting all pattadars with a total assessment below Rs 500. The surcharge on holdings paying an assessment of Rs 500 and above, will be calculated on a sliding scale on the following slab system:—

First Rs 250 of the assessment.	Nil.
From Rs 250 to Rs 500 ..	2 annas in the rupee.
From Rs 500 to Rs 1,000 ..	4 annas in the rupee.
Above Rs 1,000	8 annas in the rupee.

This levy is intended to be an immediate substitute for the Agricultural Income-tax, the rates being worked out on an empirical basis. It is considered that the main purpose of agricultural income-tax will be served in this form without calling upon our agriculturists to maintain regular accounts. The rates now proposed are lower than the ones contained in the Bill, which went through the Select Committee some time ago. In view of the liberal exemption-limit, now proposed, the number of people affected by the measure will be only a few. A pattadar paying an assessment of Rs 1,000 will, under these proposals, have to pay a surcharge of Rs 156–4–0 and this cannot be considered an excessive burden on his resources, even after making due allowance for the increased cost of cultivation.

(*b*) A levy of Agricultural Income-tax on plantation products like Tea, Coffee, Rubber and Cardamom. The new surcharge on Land Revenue,

will not be levied on plantation-holdings. Planters keep regular accounts and therefore, it may not be difficult to assess their net agricultural income. The tax will be levied more or less on the basis of the Act already being worked in Travancore-Cochin State. The details of the measure are being examined and will be published as early as possible.

(*c*) A betterment levy on the holders of lands benefited by Government irrigation works after 1st January 1947. This capital levy will be spread in very easy instalments over a period of years. The Bill already introduced in the House, is being revised for publication.

(*d*) Revision of the Court Fees Act. This is not exclusively a revenue measure. There are several anomalies in the existing Act and its revision has been under consideration for some time. The new Bill may give a slight increase in the yield from Court-fees.

(*e*) Under the existing General Sales Tax, certain luxury articles like motor cars, radios, etc., are taxed at 6 pies per rupee, at one single point, in addition to the normal tax at all points. It is now proposed to include gold and silver-wares and precious and imitation stones in this list and to tax them higher at one point.

(*f*) The sale of meat, fish, vegetables, fruits and eggs, will in future be exempted from sales tax. This measure is expected to result in a loss of revenue of about Rs 9 lakhs, but will bring in considerable relief to the petty traders in this business who have been complaining about their special difficulties.

(*g*) An extra levy of sales tax, at 1 anna 3 pies in the rupee, at one point, in addition to the existing tax, on all mill-made cloth, including woollen and silk fabrics, but excluding coarse cotton cloth of 16 counts and less. This is not quite a revenue measure. I had indicated earlier, that the measures now under consideration for the rehabilitation of the Handloom industry, with the aid of the Central Cess-Fund, may not give enough relief to weavers. By the present levy and by what I shall next immediately mention, it is hoped that the handloom will secure a further measure of protection in this State. Coarse mill cloth is being

exempted from this levy, in the interests of the poorer sections of the people. The imposition of the levy on medium counts, will require the assent of the President and the Government of India are being informed.

(*h*) As and when the extra levy on mill cloth comes into force, the sales tax of 1½ pies in the rupee, now levied on Handloom products will be given up. The loss of revenue on this account is estimated to be about Rs 12 lakhs, but this may go a little further to help our large weaver-population. Handloom products will now gain a substantial margin per rupee over mill-made cloth, made up of 1½ annas as rebate on the sale of handloom products from out of the Cess Fund, 2 annas as sales tax on mill cloth at all points put together and 3 pies as cess on mill cloth now being levied by the Centre. This should go a long way to ensure a sheltered market for the handloom.

The proposals which I have now explained, may take some little time for legislation. Some of the measures, as for example the betterment levy on newly irrigated land, may not yield any revenue during the budget year. In view of these difficulties, the net proceeds from these measures in the budget year, may be only Rs 40 lakhs and this sum has been taken credit for in the budget estimates, to reduce the revenue deficit for the year from Rs 58 lakhs to Rs 18 lakhs. If all the measures are approved without material modifications, the additional revenue in 1955–56 may be appreciably more, and that would enable us to take up a few more useful schemes and reduce the gap between the target set in the plan and actual accomplishments.

Unemployment.

14. I have now covered the budget proposals. Honourable Members opposite may ask what there is in the budget to meet the unemployment in the country. It is true that there is a good deal of unemployment and consequent poverty in this State. But we should not talk as though it is a problem of recent origin. The large bulk of our village-folk are dependent entirely on the produce of the land. When we refer to rural unemployment, what we really mean is the pressure of population on the land. And when rains hold out and crops perish, the per capita income, is still further reduced and the so-called unemployment or distress, is accentuated. While I agree that the

budget does not provide all that one could have wished for, it does contain hopeful features which should not be brushed aside as insignificant. I have already referred to the substantial provision of about Rs 6 crores in the budget, for the construction of irrigation works. We have been at this programme for the last few years and when these works are completed in the course of another 18 months, we would have extended assured irrigation on another half a million acres. The existing channel-fed irrigation of the State, is not more than 2 million acres. Therefore, the programme which aims at adding another 25 per cent to the existing irrigated extent, is not an inconsequential contribution. Again, the large systems of irrigation sources which we have inherited from the distant past and which sustain the economy of many villages, are all in a state of disrepair by long neglect. One sure way of increasing rural standards is to repair these works and restore to them their lost capacities. You will notice from the budget that a provision of nearly Rs one crore has been made for this purpose, as a part of the programme taken up during the post-war period. The yield on land can also be increased by improved methods of cultivation. That is what we are aiming at under the community projects and National Extension Services which are now being organized in different districts at enormous cost. The sums we have provided in the budget for the distribution of Chemical manures and improved seeds, are all towards the same purpose and when we extend these services to wider areas, as indeed, we hope to, in succeeding years, we are bound to reap substantial benefits.

The Handloom weavers constitute another important section of our rural population. I have explained just now, what we are doing to help them. Short of what requires greater co-operation from the Central Government, there is not much else we can do for them. Let us hope that our present proposals will bring them appreciable relief.

Turning from the rural to the urban Industrial sector, it is not quite so much of unemployment, that we are faced with, as the absence of proper environs for the development of industries. Private capital is shy in seeking new ventures and even in the existing limited field, there is little of new investment. The

real trouble seems to be consumer-resistance, caused by the low purchasing power of the masses and this can be corrected only on a long-range basis. Industrial development is largely a matter concerning the Central Government and the State Government has little or no voice in shaping the policies which affect industry and external trade. And yet, we have not been marking time in this field. The electricity projects which we have taken up, are largely for the supply of cheap power for industry. People who have seen my home-town of Coimbatore now and 25 years ago, can readily appreciate the part played by electricity in promoting industries. We have practically doubled the power generation of the State during the post-war period.

There is no quick way of stepping up living standards in an underdeveloped country. While the Industrial Revolution was setting up high living standards in the West, we had little opportunities of obtaining a share in the new wealth that was being accumulated by other nations. It is no use comparing our standards with those of progressive nations, and levelling a charge of inaction against the present Government. The people of this poor country must strive and work and the fortunately placed few amongst them, must willingly accept sacrifices, to place the necessary tools and amenities with the worker. The process is necessarily slow but only when this process goes on for a few years, shall we find a lasting solution to the problem of unemployment. That is what we are attempting to do in the National Plan and that is why we are proposing new measures of taxation to implement the Plan. And the present Plan is only the first of its kind and will be followed up by a more comprehensive Plan based on the foundation of the earlier one. Let us not therefore despair or get angry, but apply ourselves without stint to the Plan now on hand, however modest it might appear.

Conclusion.

15. Before I conclude, let me place on record our gratitude to the Union Finance Minister for the advice and what is more important the assistance he has been giving us in all our financial difficulties during the past two years. Our thanks are also due to the Governor of the Reserve Bank, for extending to us his

uninterrupted support in all our embarrassments on the ways and means side during the stress of famine. Our own Finance Secretary and his assistants cannot be forgotten. I offer my grateful appreciation to them all for their work.

With these observations, Sir, I commend to the acceptance of the House, the budget proposals for 1954–55.

MADRAS,
26th February 1954.

C. SUBRAMANIAM,
Finance Minister.

Appendix I.

Revenue and Expenditure on Revenue Account of the Madras State.

A. REVENUE.

Major heads of revenue.	1938–9.	1945–6.	1946–7.	1947–8.	1948–9.	1949–50.	1950–1.	1951–2.	1952–3.	1953–4. Budget Estimate for the second six months.	1953–4. Revised Estimate for the second six months.	Budget Estimate, 1954–5.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.
Union Excise Duties ..	..	..	..	..	..	..	..	..	2,88·75	90·94	80·50	1,79·46
Taxes on income other than Corporation tax.	22·50	4,31·25	4,48·05	5,35·32	8,42·22	8,23·32	8,29·15	9·15·43	9,42·44	2,80·76	3,06·76	5,58·11
Land Revenue—												
Gross receipts including portion due to irrigation.	7,00·78	7,97·33	8,53·19	8,08·42	7,68·79	3,12·09	9,50·71	9,20·82	8,70·85	3,75·00	3,75·00	5,95·00
Excise	3,72·23	16,79·50	14,67·99	10,69·18	3,66·54	58·82	55·28	40·74	47·26	14·33	12·64	21·04
Stamps	1,73·37	3,74·20	4,37·74	3,35·92	4,05·57	4,32·68	4,88·49	4,54·27	4,51·88	1,30·00	1,30·00	3,00·00
Forest	45·63	1,43·24	1,61·39	1,82·81	1,59·57	1,65·70	1,88·56	2,08·92	1,58·17	59·73	79·48	1,10·40
Registration	32·70	69·83	75·96	78·90	86·55	95·47	1,07·97	1,09·59	1,01·03	40·00	40·00	80·00
Receipts under Motor Vehicles Acts.	81·22	97·96	1,31·11	1,66·64	1,97·45	3,00·73	3,48·74	3,90·14	4,25·95	1,71·02	1,71·02	3,40·00
Other taxes and duties—												
General sales tax ..	..	5,82·70	6,95·90	8,31·26	13,03·01	15,24·35	15,36·87	15,59·10	13,23·18	4,90·00	4,90·00	9,50·00
Other items ..	3·19	1,45·33	1,49·38	1,98·52	2,29·32	2,85·54	3,08·61	3,62·50	3,78·67	1,48·00	1,38·97	2,64·60
Total ..	3·19	7,28·03	8,45·28	10,29·78	15,32·33	18,09·89	18,95·48	19,21·60	17,01·85	6,38·00	6,28·97	12,14·60
Irrigation—												
Direct receipts ..	6·31	11·73	12·82	11·88	12·06	13·78	14·29	14·19	15·52	2·52	3·73	4·73
Deduct—Working expenses.	— 38·39	— 70·00	— 79·38	— 91·08	— 1,03·44	— 1,17·86	— 1,14·94	— 1,20·50	— 1,65·55	— 9·06	— 15·55	— 38·37
Net receipts ..	— 32·08	— 58·27	— 66·56	— 79·20	— 91·38	— 1,04·08	— 1,00·65	— 1,06·31	— 1,50·03	— 6·54	— 11·82	— 33·64

Irrigation—

Irrigation—												
Direct receipts ..	1·99	2·80	3·02	2·80	3·09	4·23	4·54	3·30	3·31	1·19	1·55	2·01
Interest	19·73	95·00	1,24·43	79·95	93·72	91·73	77·07	53·29	19·24	25·09	28·78	40·77
Administration of Justice.	15·39	53·75	48·92	72·51	73·12	80·99	84·55	84·48	78·25	26·35	26·37	52·75
Jails and Convict Settlements.	5·98	15·76	13·93	13·21	15·99	22·05	20·98	26·67	31·97	10·75	21·24	26·87
Police	5·66	18·93	15·76	13·79	19·51	27·28	26·86	29·32	28·74	8·36	8·36	15·08
Ports and Pilotage ..	44·67	..	..	— 47·08	..	..	..	..	..	..	..	..
Education	8·35	15·41	27·58	32·63	30·29	42·54	31·90	54·23	38·71	21·02	25·16	40·00
Medical	10·25	18·15	17·81	20·35	23·33	23·08	27·07	26·34	24·67	10·62	9·01	18·61
Public Health ..	2·59	6·63	5·95	5·49	7·79	6·34	7·55	9·13	7·79	3·64	3·63	5·55
Agriculture	3·12	20·73	30·05	22·64	23·86	35·30	1,18·24	1,16·60	(a) 1,35·28	(a) 42·67	(a) 50·30	(a) 1,08·16
Veterinary	1·02	3·34	3·62	2·73	3·50	5·30	5·93	7·85	8·83	2·50	2·39	4·66
Co-operation	4·18	7·60	7·68	8·89	12·28	18·82	26·45	18·83	22·74	8·02	11·98	28·05
Industries	18·85	59·17	60·96	72·49	75·81	77·82	1,20·39	1,19·78	1,07·95	41·29	47·16	1,20·36
Miscellaneous departments.	7·62	11·02	15·09	17·14	20·68	25·64	42·61	41·33	48·76	18·60	23·36	32·87
Civil Works	25·12	48·46	66·31	1,11·25	86·34	1,15·54	1,06·47	1,07·24	1,43·38	44·85	58·84	70·27
Receipts from Electricity Schemes (Gross).	42·51	1,17·73	1,25·14	1,83·89	2,71·22	3,21·41	3,77·61	4,71·20	5,16·76	2,51·03	2,51·03	5,25·92
Deduct—Working expenses.	— 24·81	— 63·88	— 72·24	— 1,21·93	— 1,86·10	— 2,20·19	— 2,33·13	— 3,47·64	— 4,12·09	— 94·40	— 94·40	— 3,18·76
Net receipts	17·70	53·85	52·90	61·96	85·12	1,01·22	1,44·48	1,23·56	1,04·67	1,56·63	1,56·63	2,07·16
Receipts in aid of superannuation.	2·88	6·03	6·46	7·39	4·80	5·07	5·96	5·90	6·35	1·74	1·70	3·10
Stationery and Printing.	3·96	12·92	13·04	13·75	13·44	33·67	16·90	19·54	14·79	11·76	9·94	18·84
Miscellaneous—												
Gross Receipts from Bus Service (b).	..	..	..	23·35	95·88	..	..	..	..	..	..	..
Other items ..	14·58	41·34	87·53	93·54	92·40	1,39·22	1,65·52	1,04·42	92·14	77·51	1,40·57	1,80·37
Total ..	14·58	41·34	87·53	1,16·89	1,88·28	1,39·22	1,65·52	1,04·42	92·14	77·51	1,40·57	1,80·37

3

A. REVENUE—*cont.*

Major heads of revenue.	1938–9.	1945–6.	1946–7.	1947–8.	1948–9.	1949–50.	1950–1.	1951–2.	1952–3.	1953-4. Budget Estimate for the second six months.	1953-4. Revised Estimate for the second six months.	Budget Estimate, 1954-5.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.
Receipts from Road Transport Schemes—Gross Receipts (*c*).	..	..	..	..	..	1,04·06	1,16·68	1,18·88	1,24·95	70·43	72·42	1,43·14
Working expenses (*c*).	..	..	..	..	..	— 91·87	— 1,00·84	— 1,10·20	— 1,20·37	— 65·56	— 64·41	— 1,25·95
Net receipts ..	..	..	..	..	..	12·19	15·84	8·68	4·58	4·87	8·01	17·19
Grants-in-aid from the Central Government.	..	..	..	..	..	..	..	4·00	8·61	0·16	1·42	0·40
Miscellaneous adjustments between Union and State Governments.	0·27	0·13	0·14	0·10	0·21	0·22	0·20	0·25	0·38	0·06	0·07	0·13
Extraordinary Receipts.	..	0·13	2,36·47	2,93·05	2,79·25	3,26·22	2·69	1,18·62	74·05	60·01	68·15	1,01·66
Transfer from Revenue Reserve Fund.	..	..	5,06·00	..	5·00	..	..	..	..	..	..	..
Civil Defence ..	..	44·62	7·22	15·45	0·47	0·40	0·41	4·59	— 1·02	..	..	..
Estimated receipts from new taxation measures.	..	..	..	..	..	..	..	..	..	..	..	40·00
Grand total ..	16,13·45	47,98·89	57,05·02	50,70·15	53,33·52	55,89·49	58,16·34	59,43·15	58,42·32	23,70·93	25,17·17	44,99·83

(*a*) Includes fishery receipts which were shown under "Industries" in previous years.

(*b*) The receipts are shown under "Receipts from Road Transport Schemes" from 1949–50.

(*c*) Prior to 1949–50, the receipts were included under the revenue head "Miscellaneous" and the Working Expenses were shown under the expenditure head "Miscellaneous."

B. EXPENDITURE ON REVENUE ACCOUNT.

Major heads of expenditure.	1938–9.	1945–6.	1946–7.	1947–8.	1948–9.	1949–50.	1950–1.	1951–2.	1952–3.	1953–4. Budget estimate for the second six months.	1953–4. Revised estimate for the second six months.	Budget Estimate, 1954–5.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
..	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.
Land Revenue ..	25·36	26·01	27·12	28·98	37·44	40·42	46·10	88·65	84·33	38·10	39·20	76·42
Excise	32·18	51·59	53·09	59·44	69·04	77·24	79·79	84·86	80·47	17·82	19·08	41·09
Stamps	4·72	13·74	18·23	21·04	21·16	23·05	25·25	24·10	25·13	6·50	6·70	13·84
Forest	40·17	77·00	80·15	86·29	79·10	79·26	74·81	80·35	90·34	26·96	31·86	63·72
Registration	29·13	38·56	43·75	48·62	51·86	50·83	52·19	53·57	54·01	13·66	16·49	39·44
Charges on account of Motor Vehicles Acts—	..			..		..	..	..	..			
Payment to local bodies. .. .. }	75·06	68·19	80·67	96·47	1,01·67	90·27	90·34	90·89	92·89	32·75	33·72	65·69
Other departmental expenditure. }						6·59	8·50	9·89	11·13	3·82	4·07	8·82
Other taxes and duties—												
Payments to local bodies. }						97·72	1,01,94	1,12·48	1,06·22	33·30	29·54	63·73
Other departmental expenditure. }	·64	48·41	68·72	87·03	1,19·47	43·03	45·45	48·83	52·91	17·48	18·46	40·22
Irrigation—Interest on works for which capital accounts are kept.	87·59	89·45	91·23	95·71	1,04·15	1,19·15	1,42·21	1,75·31	2,17·97	1,86·03	68·03	1,54·37
Irrigation—Other revenue expenditure financed from ordinary revenues.	39·09	77·54	93·94	1,28·06	1,43·57	1,49·42	1,43·25	1,45·76	1·63·29	37·69	47·48	86·37
Construction of irrigation, etc., works.	1·25	6·11	0·63	2·60	4·07	5·80	3·29	0·61	·24	..	..	..
Interest on debt and other obligations.	58·54	65·40	78·52	81·96	1,00·04	1,09·39	1,23·66	1,45·[illegible]6	2,04,39	1,37·91	91·00	1,95·00
Deduct—Interest transferred to Commercial Departments.	— 1,07·54	— 1,26·45	— 1,31·53	— 1,47·82	— 1,73·58	— 2,13·18	— 2,65·54	— 3,33·49	— 4,19·45	— 3,46·99	— 1,58·02	— 3,49·31
Net amount met out of ordinary revenues.	— 49·00	— 61·05	— 53·01	— 65·86	— 73·54	—1,03·75	— 1,41·88	— 1,87·83	— 2,15·06	— 2,09·08	— 67·02	— 1,54·31

B. EXPENDITURE ON REVENUE ACCOUNT—*cont.*

Major heads of expenditure.	1938–9.	1945–6.	1946–7.	1947–8.	1948–9.	1949–50.	1950–1.	1951–2.	1952–3.	1953–4. Budget Estimate for the second six months.	1953–4. Revised Estimate for the second six months.	Budget Estimate, 1954–5.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.
Appropriation for reduction or avoidance of debt.	5·13	55·90	57·00	1,42·78	69·68	75·47	75·68	1,02·30	1,06·01	21·40	11·40	62·00
General administration.	2,76·76	4,27·24	6,13·86	5,60·40	5,82·05	6,26·32	6,54·90	7,45·71	7,24·47	2,64·46	2,77·04	4,86·87
Administration of Justice.	90·63	1,28·80	1,42·42	1,45·64	1,50·03	1,58·34	1,65·56	1,76·09	1,84·47	51·99	55·66	1,28·23
Jails and convict settlements.	23·22	61·50	65·78	79·63	1,10·22	1,18·52	1,20·37	1,33·85	1,42·68	55·02	55·27	1,01·83
Police	1,60·96	2,98·03	4,05·71	4,64·81	6,51·97	6,89 89	6,98·89	7,37·42	7,16·88	2,14·18	2,06·01	4.50·42
Ports and Pilotage ..	..	5·00	4·56	..	0·01	..	..	..	..	·01	·01	..
Scientific Departments.	0·96	1·53	1·21	1·37	1·52	1·58	1·64	2·33	2·31	·95	1·03	2·32
Education	2,61·98	4,59·72	5,90·27	7,03·70	8,85·94	9,58·41	10,42·65	11,01·10	11,96·02	4,70·87	4,94·47	8,54·28
Medical	98·14	1,80·00	2,15·93	2,38·50	2,76·54	2,96·18	3,14·87	3,53·12	3,80·34	1,24·89	1,31·09	2,93·66
Public Health ..	26·57	54·48	87·32	(a) 1,90·55	90·54	(b) 1,14·42	1,04·06	1,65·26	2,05·71	49·72	43·77	91·18
Agriculture	20·62	74·06	1,05·74	1,16·93	1,26·74	1,82·74	2,75·35	3,16·49	2,60·07	(c) 1,14·53	(c) 1,23·77	(c) 2,22·86
Veterinary	12·85	23·64	26·95	31·81	40·58	49·67	56·69	62·98	60·63	17·38	17·64	35·66
Co-operation ..	13·82	30·93	44·33	42·69	53·41	73·64	76·48	76·39	77·81	24·21	27·32	62·49
Industries	27·54	72·49	96·60	1,12·71	1,20·30	1,29·00	1,57·46	2,01·67	1,87·93	94·11	1,13·58	1,75·44
Capital outlay on Industrial Development.	..	22·10	..	0·02	0·06	0·32	0·25	0·3	·30	·07	·61	..

Aviation	..	..	..	..	..	0·59	·75	·43	·35	·30	·20	·40
Miscellaneous departments (*d*).	21·11	71·93	87·50	1,19·82	1,15·55	1,31·99	1,49·34	1,67·29	1,72·77	74·59	89·68	1,66·30
Civil Works	1,19·70	2,81·65	3,97·72	4,66·69	5,88·84	7,30·05	8,27·83	7,62·59	9,34·46	2,20·00	2,29·39	3,76·34
Interest on capital outlay on Electricity Schemes.	18·92	35·96	39·45	49·92	66·92	87·41	1,14·36	1,48·81	1,89·00	1,53·47	84·13	1,84·33
Other revenue expenditure connected with Electricity Schemes.	..	1·13	2·32	2·92	0·11	— 0·34	8·47	2·90	5·87	1·74	1·74	3·27
Famine	16·04	6·32	20·33	3·80	4·75	25·03	8·00	13·96	51·56	26·10	17·60	6·00
Territorial and Political Pensions.	..	..	..	..	..	..	1·94	2·04	12·48	0·50	0·50	1·01
Superannuation allowances and Pensions.	97·12	1,38·19	1,43·30	1,57·53	1,56·36	1,65·44	1,85·24	1,97·29	2,09·25	64·85	63·27	1,33·68
Commutation of pensions.	..	3·59	2·68	1·83	4·37	8·13	9·59	17·18	17·47	5·68	6·35	11·71
Stationery and Printing.	27·07	43·07	51·66	49·42	71·98	94·51	87·10	1,05·10	1,02·14	27·98	25·74	54·18

(*a*) Includes Rs. 100 lakhs representing contribution to the Rural Water-Supply Fund.

(*b*) Includes Rs. 10 lakhs representing contribution to the Rural Water-Supply Fund.

(*c*) Includes the expenditure of the Fisheries department, previously shown under "Industries."

(*d*) Includes expenditure on Harijan Uplift, Labour and other items. The details of expenditure under Harijan Uplift are shown below :—

Major heads of expenditure.	1938–9.	1945–6.	1946–7.	1947–8.	1948–9.	1949–50.	1950–1.	1951–2.	1952–3.	1953–4. Budget Estimate for the second six months.	1953–4. Revised Estimate for the second six months.	Budget Estimate, 1954-5.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.
Gross expenditure on Harijan Welfare including concessions to Backward classes.	..	28·84	35·29	41·38	63·75	82·44	1,00·46	1,23·47	1,33·95	39·81	54·80	90·40
Amount met from the Fund for Village Reconstruction and Harijan Uplift.	..	..	..	— 1·81	— 4·10	— 18·44	— 36·46	— 52·70	— 61·36	*	*	*
Net amount ..	..	28·84	35·29	39·57	59·65	64·00	64·00	70·77	72·59	39·81	54·80	90·40

* As the amount in the Village Reconstruction and Harijan Uplift Fund had been practically exhausted, it is proposed to meet the entire expenditure on Harijan Uplift from the general revenues.

B. EXPENDITURE ON REVENUE ACCOUNT—*cont.*

Major heads of expenditure.	1938–9.	1945–6.	1946–7.	1947–8.	1948–9.	1949–50.	1950–1.	1951–2.	1952–3.	1953–54. Budget Estimate for the second six months.	1953–54. Revised Estimate for the second six months.	Budget Estimate, 1954–5.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS,	RS. LAKAS.	RS LAKHS.	RS LAKHS,	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.
Miscellaneous—												
Expenditure on Bus Service.	..	..	..	12·44	90·31	*	*	*	*	*	*	*
Other items ..	4·39	1,52·66	5,21·98	1,06·86	1,33·24	43·58	29·76	26·58	26·27	9·04	86·75	14·29
Extraordinary charges—												
Net outlay on State Trading Schemes transferred to the Revenue Account.	..	− 1,60·35	12,20·77	− 16·04	2,03·63	(*a*)	(*a*)	(*a*)	(*a*)	(*a*)	(*a*)	(*a*)
Other items ..	..	− 0·02	2,15·90	1,84·53	78·61	1,13·41	1,06·29	97·05	70·13	12·45	12·24	27·79
Total ..	..	− 1,60·37	14,36·67	1,68·49	2,82·24	1,13·41	1,06·29	97·05	70·13	12·45	12·24	27·79
Community Development Projects.	..	..	..	..	..	..	..	..	34·38	42·12	16·20	66·88
Transfer to Revenue Reserve Fund.	..	17,31·00	..	4,90·00	..	..	..	..	..	..	..	..
Civil Defence ..	..	1,62·64	38·79	20·29	1·17	0·72	0·45	0·05	0·08	..	..	·01
Grand total ..	16,09·72	47,98·74	57,04·65	50,69·93	53,33·42	55,54·01	59,45·21	64,43·84	68,40·71	23,47·64	24,40·07	45,17·88
Final Revenue Surplus (+) or Deficit (−).	+ 3·72	+ 0·15	+ 0·37	+ 0·22	+ 0·10	+ 35·48	− 1,28·87	− 5,00·69	−9,98·39	+ 23·29	+ 77·10	− 18·05
(*a*) Shown under Capital Account. The figures are:						−4,49·11	1,38·13	2,54·38	10,56·06	50·00	35·62	− 67·64

* Working Expenses of the Madras City Bus Service are taken in deduction of the receipts from 1949–50.

APPENDIX II.

DETAILS OF CAPITAL EXPENDITURE.

Description of the scheme.	Approximate estimated cost.	1946–7.	1947–8.	1948–9.	1949–50.	1950–1.	1951–2.	1952–3.	Total. 1946–7 to 1952–3.	1953–4. Preliminary Accounts for the first six months.	1953–4. Budget Estimate for the second six months.	1953–4. Revised Estimate for the second six months.	Budget Estimate, 1954–5.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS LAKHS.	RS LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.
A. IRRIGATION, NAVIGATION, ETC., SCHEMES.													
Lower Bhavani Project	9,61·00	..	1·85	29·38	1,62·05	2,55·99	2,70·20	2,35·76	9,55·23	41·59	12·59	5·12	8·61
Mettur Canals Scheme	2,45·00	..	..	..	5·07	13·39	28·68	27·38	74·52	8·90	33·03	19·01	81·90
Malampuzha Project	3,80·00	..	..	..	18·40	60·93	87·82	95·35	2,62·50	22·73	79·25	44·30	77·05
Manimuthar Project ..	3,98·00	..	..	..	..	6·09	21·13	51·44	78·66	29·42	60·21	74·93	1,58·34
Araniar Project ..	95·00	..	..	..	..	..	0·93	7·19	8·12	3·37	5·67	6·72	31·36
Walayar Project ..	1,00·00	..	..	..	..	..	0·20	0·24	0·44	3·97	5·41	17·38	51·99
Mangalam Project ..	45·00	..	..	..	..	..	0·37	1·25	1·62	1·07	5·41	6·97	21·78
Amaravathi Project ..	2,72·00	..	..	..	..	..	..	..	..	..	15·00	3·32	46·35
Vaigai Reservoir Project.	250·00	..	..	..	..	..	..	..	..	..	5·00	·65	36·60
Works under the special minor irrigation programme including Tank Improvement Scheme.	..	..	..	..	..	1,05·53	85·63	98·35	2,89·51	15·07	25·23	32·45	81·82
Other Irrigation Schemes (Productive and Unproductive).	(a)	—5·32	7·70	29·62	19·91	62·72	83·60	68·43	2,66·66	46·57	8·77	6·36	12·37
Irrigation Projects transferred to Andhra and Mysore States.		65·86	1,43·66	1,86·11	2,71·30	2,57·34	3,70·84	4,27·66	17,22·77	76·34	..	..	..
Pro-rata charge on Establishments and Tools and Plant.		1·04	3·67	3·55	1·75	7·07	5·40	3·25	25·73	..	0·19	0·14	0·29
Transfer from the Deposit Account of Procurement Bonus given by the Government of India.		..	..	..	..	—1,06·57	..	..	—1,06·57	..	..	..	..
Total ..		61·58	1,56·88	2,48·66	4,73·48	6,62·49	9,54·80	10,16·30	35,79·19	2,49·03	2,55·76	2,17·35	6,08·46

(a) Consists of several works some of which have been completed while others are in progress. Hence no estimated cost is given.

Description of the scheme.	Approximate estimated cost.	1946–7.	1947–8.	1948–9.	1949–50.	1950–1.	1951–2.	1952–3.	Total, 1946–7 to 1952–3.	1953–4. Preliminary Accounts for the first six months.	1953–4. Budget Estimate for the second six months.	1953–4. Revised Estimate for the second six months.	Budget Estimate, 1954–5.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
		RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.
B. CAPITAL OUTLAY ON ELECTRICITY SCHEMES.													
Moyar Hydro-Electric Scheme.		23·68	35·67	69·96	64·68	74·72	57·25	8·76	3,34·72	9·40	5·31	5·31	3·13
Pykara Hydro-Electric Scheme.		21·45	71·56	40·18	82·01	1,18·98	88·27	1,35·21	5,57·66	89·18	98·67	98·67	2,04·86
Mettur Hydro-Electric Scheme.		20·27	60·44	68·21	65·49	1,01·82	67·01	74·76	4,58·00	32·91	81·80	81·80	1,00·80
Papanasam Hydro-Electric Scheme.		17·54	—·65	90·83	66·09	58·97	53·95	99·22	3,85·95	20·52	70·04	70·04	85·42
Periyar Hydro-Electric Scheme.		..	..	..	..	..	..	..	..	..	..	..	30·00
Madras Thermal Electric System.		..	1,65·67	49·16	84·40	1,76·78	93·94	1,25·35	6,95·30	53·90	98·28	98·28	68·73
Other Minor Schemes.		1·28	·31	4·53	6·67	31·68	18·29	17·61	80·37	3·19	..	..	..
Schemes transferred to Andhra and Mysore States.		16·63	91·76	1,01·68	1,94·51	1,74·50	2,43·81	3,10·75	11,33·64	2,26·89	..	..	..
Lump-sum provision for payment of compensation for acquisition of electrical undertakings of local authorities and private companies.		..	..	..	..	..	..	17·60	17·60	—·87	·74	·74	2·62
Total ..		1,00·85	4,24·76	4,24·55	5,63·85	7,37·45	6,22·52	7,89·26	36,63·24	4,35·12	3,54·84	3,54·84	4,95·56

4

Description of the scheme.	1946–7.	1947–8.	1948–9.	1949–50.	1950–1	1951–2.	1952–3.	Total, 1946–7 to 1952–3.	1953–4. Preliminary Accounts for the first six months.	1953–4. Budget Estimate for the second six months.	1953–4. Revised Estimate for the second six months.	Budget Estimate, 1954–5.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	RS. LAKHS	RS. LAKHS	RS. LAKHS	RS. LAKHS	RS. LAKHS	RS. LAKHS	RS, LAKHS	RS. LAKHS	RS. LAKHS	RS. LAKHS	RS. LAKHS	RS. LAKHS
C. INDUSTRIAL DEVELOPMENT SCHEMES.												
Cinchona Plantations.	13·71	18·04	17·23	21·52	12·44	8·53	8·04	94·51	3·00	3·26	5·80	3·08
Kerala Soap Institute.	..	..	..	..	..	0·04	0·26	0·30	0·22	..	1·05	..
Madras Industrial Engineering Workshops.	..	..	..	·02	..	..	..	0·02	0·08	..	..	..
Fish Liver Oil Industry.	..	..	..	·05	0·05	0·20	0·06	0·36	..	1·50	·24	·28
Madras Vegetable Ghee Factory.	·27	·67	2·01	4·25	3·16	1·30	5·22	16·88	0·36	0·40	·41	·26
Government Silk Filatures.	..	..	..	1·36	0·14	2·04	0·78	4·32	0·08	..	1·88	·50
Polytechnics (Buildings and Tools and Plant).	..	..	..	9·58	2·47	22·25	15·99	50·29	3·67	6·80	9·24	5·70
Artesian Wells ..	..	..	..	..	9·80	4·55	2·59	16·94	2·51	..	..	..
Shares in Fertilisers and Chemicals, Limited, Travancore.	..	..	20·00	..	1·00	..	..	21·00	..	..	..	..
Shares in Madras Industrial Investment Corporation, Madras.	..	..	51·00	..	51·00	..	..	1,02·00	..	..	..	..
Other Shares	..	..	..	..	2·40	—·90	..	1·50	..	..	..	..
Ceramic Industry ..	..	..	·02	·16	..	0·01	1·87	2·06	0·15	..	..	..
Andhra Paper Mills ..	..	..	25·35	..	0·43	·14	0·04	25·96	0·15	*	*	*
Total ..	13·98	13·71	1,15·61	36·94	82·89	38·16	34·85	3,36·14	10·22	11·96	18·62	9·82
D. CAPITAL OUTLAY ON ROAD TRANSPORT SCHEMES.												
Madras City Bus Service.	2·76	30·63	26·65	12·95	8·83	—4·32	10·37	87·92	9·81	0·28	0·28	29·38
E. CAPITAL OUTLAY ON CIVIL WORKS.												
Buildings	10·72	9·89	33·36	61·09	84·51	1,14·42	104·75	4,18·74	31·13	52·24	52·34	83·54
F. COMPENSATION TO ZAMINDARS.												
Advance Compensation and Interim Payments.	..	..	..	1,32·16	1,17·87	2,03·09	85·18	5,38·30	37·74	10·90	10·90	35·00

* Does not relate to the Madras State now.

Appendix III.

Statement of the Debt Position of the Composite Madras Government (excluding Repayable Deposits and Similar Liabilities) as on 30th September 1953.

I. OPEN MARKET LOANS.

When issued.	Description of loan.	Total amount issued.	Amount outstanding on 30th September 1953.
(1)	(2)	(3)	(4)
		RS LAKHS.	RS LAKHS.
September 1937 and September 1940.	3% Loan, 1952, I and II issues.	2,33·54	1·46
September 1938 ..	3% Loan, 1953.	1,51·29	31·96
June 1939	3% Loan, 1959.	1,50·00	1,23·96
September 1942 ..	3% Loan, 1955.	1,25·00	1,23·25
September 1943 ..	3% Loan, 1956.	1,25·10	1,25·10
August 1944 ..	3% Loan, 1958.	1,10·00	1,07·95
September 1945 ..	3% Loan, 1960.	3,00·00	2,78·44
September 1946 ..	2¾% Loan, 1961.	4,09·30	3,81·77
July 1950	3% Development Bonds, 1960.	4,39·75	4,38·26
September 1951 ..	3½% Loan, 1962.	3,01·49	3,01·49
August 1952 ..	4% Loan, 1964.	5,24·81	5,24·81
July 1953	4% Loan, 1963.	10,28·90	10,28·90
	Total, I. ..	38,99·18	34,67·35

II. LOANS FROM THE CENTRAL GOVERNMENT.

When obtained and description of loan.	Total amount.	Amount outstanding on 30th September 1953.	Remarks.
(1)	(2)	(3)	(4)
	RS LAKHS.	RS LAKHS.	
(1) Pre-autonomy consolidated debt (1st April 1937).	7,56·71	3,14·57	The Madras Government's debt to the Government of India after certain adjustments amounted to Rs. 7,56·71 lakhs on 1st April 1937. This debt was consolidated into a 4½ per cent loan and made repayable by 1981–82 by half-yearly equated instalments.

When obtained and description of loan.	Total amount.	Amount outstanding on 30th September 1953.	Remarks.
(1)	(2)	(3)	(4)
	RS LAKHS.	RS LAKHS.	

II. LOANS FROM THE CENTRAL GOVERNMENT—*cont.*

(1)	(2)	(3)	(4)
(2) Post-autonomy debt—			
1947–48	..	6,00·00	These are loans given by the Government of India for capital expenditure on Irrigation and Electricity Schemes when the Madras Government did not raise any market loan. Interest is payable half-yearly at 2-7/8 per cent per annum. The principal is repayable after 15 years in each case.
1948–49	..	3,00·00	
1950–51—			
Fisheries Programme—For giving a loan to the South Madras Fishermen Co-operative Society.	1·33	..	As there was no likelihood of the loan being utilized for the purpose, it was repaid to the Government of India in full with interest at 3¼ per cent per annum in October 1951.
Tractor Reclamation.	30·00	30·00	Loans given by the Government of India in connexion with the Intensive Cultivation Schemes. Interest at 3¼ per cent per annum is payable half-yearly. Principal is repayable after 15 years.
Oil Engines, Electric Motors, etc., Hire purchase.	20·00	20·00	
Oil Engines, Electric Motors, etc., Hire purchase.	40·00	40·00	Loans given in connexion with the Intensive Cultivation Schemes. Interest at 3⅜ per cent per annum is payable half-yearly. Principal is repayable after 15 years.
P.W.D. Irrigation and Tank Improvement Schemes.	45·00	45·00	
Purchase of cotton seeds from Madhya Pradesh for expansion of cotton cultivation.	10·00	..	The loan was free of interest and the principal was repaid on the 31st March 1952.
1951–52—			
Purchase and distribution of manure to the ryots.	1,00·00	..	This was a short-term loan repaid on the 31st March 1952.
To finance capital expenditure on Tungabhadra and Lower Bhavani Projects.	6,00·00	6,00·00	Loan from the Special Development Fund repayable by annual equated instalments commencing from 1955 and ending in 1961. For the first three years, i.e., 1952–53, 1953–54 and 1954–55, interest alone at 3½ per cent per annum is to be paid.

When obtained and description of loan. (1)	Total amount. (2) RS LAKHS.	Amount outstanding on 30th September 1953. (3) RS LAKHS.	Remarks. (4)

II. LOANS FROM THE CENTRAL GOVERNMENT—*cont.*

(2) Post-autonomy debt—*cont.*			
1951–52—*cont.*			
P.W.D. Irrigation Schemes.	23·00	21·83	Repayable in fifteen annual equated instalments with interest at 3¾ per cent per annum.
River Pumping Schemes.	9·00	20·13 (River Pumping Schemes and Tractor Cultivation Schemes together)	Repayable in ten annual equated instalments with interest at 3½ per cent per annum.
Tractor Cultivation Schemes.	13·00		
Purchase and distribution of oil engines and electric motor pump sets.	12·00	9·75	Repayable in five annual equated instalments with interest at 3¼ per cent per annum.
Industrial Housing Schemes.	9·00	..	This loan was free of interest and repayable after 25 years. As, however, the industrial concerns which applied for the loans dropped out of the scheme, preferring another scheme sponsored by the Government of India, the loan was repaid in 1952–53.
1952–53—			
Purchase and distribution of manure to the ryots.	100·00	..	This was a short-term loan repaid with interest at 3 per cent on 31st March 1953.
Purchase of cotton seeds from Madhya Pradesh for expansion of cotton cultivation.	10·00	..	This loan was free of interest and was repaid on 31st March 1953.
To finance capital expenditure on Tungabhadra, Lower Bhavani and Malampuzha Irrigation Projects.	734·00	734·00	Loan from the special development fund repayable in annual equated instalments commencing from 1955 and ending in 1961. For the first two years, 1953–54 and 1954–55, interest alone at 4 per cent per annum to be paid.
To finance famine relief expenditure.	200·00	200·00	Terms of repayment have not yet been finally settled.

When obtained and description of loan.	Total amount.	Amount outstanding on 30th September 1953.	Remarks.
(1)	(2)	(3)	(4)
	RS LAKHS.	RS LAKHS.	

II. LOANS FROM THE CENTRAL GOVERNMENT—*cont.*

When obtained and description of loan.	Total amount.	Amount outstanding on 30th September 1953.	Remarks.
(2) Post-autonomy debt—*cont.*			
1952–53—*cont.*			
For being re-lent to the Madurai Municipality for extension of the Madurai Municipal sewage farm.	2·26	2·01	Repayable in eight equated annual instalments with interest at 3-7/8 per cent per annum.
P.W. Irrigation schemes.	21·00	21·00	Repayable in fifteen annual equated instalments with interest at 4-1/8 per cent per annum.
River pumping schemes.	9·00	0·50	Repayable in ten annual equated instalments with interest at 4 per cent per annum.
Tractor reclamation.	17·58	11·00	
Supply of oil-engines and electric motors.	36·75	25·58	
Lift irrigation schemes.	4·50	0·96	
Construction of tube-wells with filter points.	2·60	2·60	Repayable with interest at 3-1/8 per cent per annum in two equated annual instalments commencing from December 1953.
Construction of tube-wells with filter points.	15·26	15·26	Repayable in ten annual equated instalments with interest at 4 per cent per annum.
Special Minor Irrigation Schemes.	25·00	25·00	Do.
Scheme for urban compost.	3·52	..	Repaid in June 1953 as it was not utilized for the purpose for which it was sanctioned.
Loan for Community Projects—Thulyabhaga Electricity Extension Scheme, Ramachandrapuram taluk.	1·00	1·00	Repayable with interest at 3-5/8 per cent in five annual equated instalments.
Periyar Project Irrigation Programme.	2·97	2·97	Repayable with interest at 4 per cent per annum in ten annual equated instalments.

When obtained and description of loan.	Total amount.	Amount outstanding on 30th September 1953.	Remarks.
(1)	(2)	(3)	(4)
	RS LAKHS.	RS LAKHS.	

II. LOANS FROM THE CENTRAL GOVERNMENT—*cont.*

(2) Post-autonomy debt—*cont.*			
1952–53—*cont.*			
Loan for rehabilitation Schemes—For financing the education expenditure of displaced students from Pakistan.	·06	·06	Repayable with interest at 3-5/8 per cent per annum in five annual equated instalments.
Ways and Means Advances.	17,00·00	17,00·00	Terms have not yet been settled.
1953–54—			
For financing the expenditure on Tungabhadra, Lower Bhavani and Malampuzha Projects.	1,75·00	1,75·00	Loan from the Special Development Fund, repayable in seven equated annual instalments with interest at 4 per cent per annum from 1957–58. Interest alone at 4 per cent per annum is payable for the first three years 1954–55, 1955–56 and 1956–57.
Loans for Community Projects.	13·62	13·62	Terms have not yet been settled.
Cotton Extension Schemes.	5·00	5·00	Repayable with interest at 1½ per cent per annum before 31st March 1954.
Loan for improvements to the temporary Capital of the Andhra State.	40·00	25·00	The actual expenditure (not yet reported) on improvements to the temporary capital of the Andhra State up to 30th September 1953 is the liability of the Andhra Government. It is assumed that there will be an unspent balance of about Rs 25 lakhs on 30th September 1953 to be treated as Ways and Means accommodation to the Composite State.
Ways and Means advances.	..	10,00·00	The Government of India agreed to give the Ways and Means accommodation required to keep the proceeds of the open market loan intact on 30th September 1953 and also to set right the balance of the Madras State on that date. The accounts of the Composite State have not yet been finalized. The outstanding liability on 30th September 1953 in respect of this Ways and Means accommodation from the Government of India is expected to be of the order of Rs 10 crores.
Total, II ..		59,61·84	

III. SPECIAL IRREDEEMABLE LOANS.

	Amount.
	RS
(1) Four bonds bearing interest at 8 per cent per annum issued between the years 1796 and 1807.	1,33,000
(2) Two bonds bearing interest at 6 per cent per annum issued in the years 1795 and 1817.	10,500
(3) A deposit bearing interest at 6 per cent per annum received in 1817 ..	41,770
(4) A deposit bearing interest at 4 per cent per annum (now treated as an Endowment for the Stanley Hospital, Madras).	66,878
Total, III ..	2,52,148 or 2·52 lakhs.
	RS LAKHS.
Grand total—Loans expected to be outstanding on the 30th September 1953 (I + II + III).	94,31·71

Appendix IV.

Statement showing the details of Expenditure on the Schemes included in the Five-Year Plan.

(1)	Revised Five-Year Plan, 1951–56. (2)	Expenditure incurred and likely to be incurred to end of 1953–54. (3)	Balance for 1954–55 and 1955–56. (4)	Provision made in the Budget for 1954–55. (5)
	RS LAKHS	RS LAKHS	RS LAKHS	RS LAKHS
I. Agriculture and Rural Development—				
1 Agriculture	894	482	412	198
2 Animal Husbandry	58	20	38	7
3 Dairying and Milk Supply	13	9	4	2
4 Forests	74	11	63	4
5 Co-operation	17	9	8	4
6 Fisheries	58	29	29	6
7 * Rural Development	30	30	..	..
8 National Extension Service ..	300	19 (a)	281	83
9 Community Development Projects.	308	62	246	96
10 Local Development Works ..	123	30 (a)	93	40
Total, I ..	1,875	701	1,174	440
II. Major Irrigation and Power Projects ..	4,916	2,564	2,352	1,010

* Merged with National Extension Service from the 1st October 1953.

(a) Represents estimated expenditure in the second half of 1953–54.

STATEMENT SHOWING THE DETAILS OF EXPENDITURE ON THE SCHEMES INCLUDED IN THE FIVE-YEAR PLAN—*cont.*

(1)	Revised Five-Year Plan, 1951–56. (2) RS LAKHS	Expenditure incurred and likely to be incurred to end of 1953–54. (3) RS LAKHS	Balance for 1954–55 and 1955–56. (4) RS LAKHS	Provision made in the Budget for 1954–55. (5) RS LAKHS
III. Industry—				
1 Cottage Industries .. .. .. } 2 Other Industries .. .. .. }	185	134	51	15
IV. Transport (Roads)	358	222	136	54
V. Social Services—				
1 Education	494	165	329	82
2 Medical	256	178	78	54
3 Public Health	518	205	313	59
4 Housing	190	107	83	42
5 Amelioration of Backward Classes ..	416	235	181	90
Total, V ..	1,874	890	984	327
Grand Total ..	9,208	4,511	4,697	1,846